

Additional Funding Will Be Available for Very Strongly Performing Grants

As mentioned in <u>Article 2</u>, countries with grants rated "A1" will, starting in 2011, be eligible to apply for additional funding to expand service delivery. The funds have to be used for services and strategies already included in the grant. Applications for additional funding can be made at the time of the grant's periodic review (under the new grant architecture, this will be once every three years).

At its meeting last week, the Board approved the establishment of a "Mechanism to Commit Additional Funding to Accelerate Strongly Performing Programs at the Time of Grant Renewals" (Mechanism to Accelerate).

Until early 2009, grants were rated on the following scale:

A Met or exceeded expectations

B1 Adequate

B2 Inadequate, but potential demonstrated

C Unacceptable

Since then, rating A has been split into A1 and A2. According to the Policy and Strategy Committee's report to the Board, to be rated A1, a grant has to (a) exceed expectations (i.e., consistently over-achieve key service delivery targets); and (b) demonstrate "progress towards impact." "Impact" is defined strictly by changes in incidence, prevalence or mortality, and it requires evidence in the form of a country or partner evaluation.

Each year, a separate funding envelope for the Mechanism to Accelerate will be established for the following year. The Board has already approved \$30 million for 2011. It is likely that the amounts for subsequent years will be significantly higher. There is no ceiling on the amounts countries can request, but the Fund will issue guidelines recommending that countries apply for 30% or less of the amount committed for the previous period.

The Global Fund Secretariat's periodic review panel (which will replace the Phase 2 Panel in the new grant architecture) will determine which grants are eligible, "based on a holistic assessment of program performance, outcomes and impact" at the time when grants are periodically reviewed. Countries will be required to describe the intended use of the incremental funds in their Request for Continued Funding, and will need to describe activities, indicators and targets.

Countries will have to demonstrate that the activities will be cost-effective, that the additional funding will contribute to bridging the financial gap for that disease, that the additional funding will be complemented by national or third party co-financing, and that the new activities will build on lessons learned from the previous programme implementation period.

The Technical Review Panel (TRP) will assess whether requests fall within the scope of an existing programme, and will make a funding recommendation to the Board. Board members will vote electronically. The time frame between the country's request and Board approval is expected to be four months.

The information for this article is taken from the "Report of the Policy and Strategy Committee," which should be available shortly as document GF/B21/4 at www.theglobalfund.org/en/board/meetings/twentyfirst/documents.

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